



NORTHVIEW PUBLIC SCHOOLS

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To: House Education Committee Members

From: Michael F. Paskewicz, Ed.D. *MFP*

Date: February 1, 2012

Re: SB 619 Cyber Schools

Thank you for your service to the residents of the State of Michigan. My name is Michael Paskewicz and I currently serve the community as Superintendent of the Northview Public Schools (enrollment 3,450). Prior to this assignment I served as the Superintendent of the Adams 12 Five Star Schools (enrollment 40,000+) in Thornton, Colorado. The Adams 12 Five Star Schools is the chartering institution for the Colorado Virtual Academy (COVA), a K-12 cyber school. COVA's for profit parent company is K12.

COVA was chartered by our district to meet the needs of parents who desired an alternative to the traditional public school experience. The charter was granted under a set of very clear expectations and benchmarks that would signal success. The benchmarks included academic achievement targets, financial management and accountability, a pre-determined rate of enrollment growth, and regular monitoring of progress by Adams 12. COVA experienced some success in meeting the needs of families who desired an alternative to traditional schools in Colorado.

However, the problems associated with a for profit cyber school are far reaching. Here are several examples for your consideration:

- Students enrolled in COVA were asked to leave after the "count day" and before annual State testing windows if the students were not meeting academic goals.
- Over 500 students per year reentered their home districts after per pupil funding was allocated to COVA. Additionally, students who had learning styles that did not match with on-line learning and were performing below grade level expectations reentered their home district just before State testing window.
- Districts had no time or financial resources to remediate the students.
- COVA had four Executive Directors in six years. Each one being released for a variety of reasons ranging from financial mismanagement to falsifying student counts to not meeting profit benchmarks of the parent company, K12.
- COVA sent billing notices to school districts for full costs of special education students enrolled in COVA. The identified special education services were not being provided by COVA in any format, let alone in an on-line format.

- Adams 12, the chartering agency, spent hundreds of hours correcting inaccurate student counts, financial mismanagement, and incurred legal costs relating to the failure of the parent company to use due process when dismissing employees.
- COVA students did not demonstrate academic achievement that was higher than Adams 12 Five Star Schools.
- COVA's graduation rate was lower than Adams 12 Five Star Schools.
- COVA did post a profit for the parent company each year.

I believe that on-line (cyber schools) have a place in the delivery of high quality curriculum. Lifting the cap on cyber schools as stated in SB 619 is not responsible. As you see in my previous examples, even with a very clear set of expectations by the chartering agency, COVA did not demonstrate achievement at a rate higher than the traditional public school district. We spent hundreds of hours on compliance issues with one state-wide charter school.

I urge House Education Committee members to explore all of the implications of lifting the cap on cyber schools. It is my belief that the Senate has looked at the first level implications but did not look out to the second and third level implications of lifting the cap.

Here is a related example of looking at the second and third level implications of another issue that is currently contained in the School Aid Bill – funding of kindergarten. If the SAB is approved and districts receive full-day funding for kindergarten only if they run full day programs it means that Northview will need an additional \$400,000 to implement full day kindergarten. If we do not implement full-day kindergarten it will be an \$800,000 loss in revenue to the district. This is one of the first level implications. One second level implication relates to space. If we implement full-day kindergarten we need 8 additional rooms. One third level implication of taking 8 additional rooms is that we are forced to offer 100 fewer Schools of Choice seats in a district that is considered to be a choice destination (350 applications for 220 seats). This means that the Schools of Choice option favored by many legislators is now limited in Northview.

I respectfully ask the House Education Committee to delay the approval of the bill until the implications are fully explored. Your premature actions on SB619 may have ten, third level implications that are negative. One third level implication relates to the possibility of a “for profit” company to take public funds over a three year period, fail to meet performance bench marks, lose their charter and leave with the State with three years of profits ranging from \$10 - \$12 million depending on the foundation allowance. Take time to do the work now and avoid costly rework in the future. Look at the rework necessary with COVA and that was after identifying over 100 implications of chartering ONE cyber school.